MANALAPAN MINING COMPANY, INC.

P.O. BOX 311 BROOKSIDE, KENTUCKY 40801-0311 PHONE: (606) 573-1211 (606) 837-2173 FAX: (606) 837-3773

July 19, 2007

MSHA
Office of Standards
Regulations and Variances, MSHA
1100 Wilson Blvd., Room 2350
Arlington, Virginia, 22209-3939

RE: MMC Comments – RIN 1219-AB52

Sealing of Abandoned Areas



Manalapan Mining Company, Inc. would like to thank MSHA for the opportunity to comment on the proposed Emergency Temporary Standard (ETS's), RIN 1219-AB52, Sealing of Abandoned Areas. We are a small, family owned mining company with approximately 146 employees and 54 contractors. We pride ourselves on operating safe mines and cherish our proactive relationship with MSHA. We would like to express our concerns on the above mentioned (ETS) and other changes in the regulations. As each (ETS) or new regulation has been introduced, we have been working diligently to revise our plans and add the additional safety equipment required to satisfy each of these changes. Compliance with these new standards for a small operation like ours comes at considerable cost. Traditionally, MSHA has always balanced the safety needs of the workers with the economic cost to the coal companies in developing and implementing any new regulations. This balance seems to have been ignored in the rush to implement these (ETS's). These changes are creating very serious and substantial economic impacts on our company as well as other coal companies in the area.

We are requesting that MSHA do a comprehensive cost analysis to ascertain the full economic impact for the last three years of all (ETS's); Sealing of Abandoned Areas, Breathable Air, Civil Penalties, additional SCSR's, Methane Monitors, Communication/Location, Etc. We believe that the total effect of these (ETS's) cannot be fully realized until the economic impacts are analyzed in combination, not per the individual requirements. We respectfully request that MSHA do the same in its analysis and recognize the economic impact of all the new standards to the industry as a combined cost.

Having expressed our concerns, here are some specific comments toward MSHA's new ETS regulations:

• 75.335(a): Our first comment concerns our larger, older mines that have current seals in place. Based on our cost estimates, it will cost approximately \$18,558.00 (exhibit 1) to replace each one of these seals with a 50 psi rated seal. Given that we have 37 seals, we estimate it will cost us approximately \$686,644.00 to replace every seal in our operation, a tremendous economic burden to put on any company in so short of a time. Also, please note that this is an estimate. Actual costs may be higher. Granted that if a mine had a history of potential explosive gases accumulating behind existing seals then new seals are warranted. However, when a seal that has been monitored for an extended period of time and no accumulation of potential

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explosive gases has been found, then it is an unwarranted economic burden to place on a company to force them to tear out adequately built existing seals and replace them with 50 psi rated seals. We believe that this may be an unnecessary use of scarce capital that could be applied toward compliance with other ETS's and new regulations.

- 75.335(c): Many belt heads and tail rollers exist adjacent to sealed areas routinely require the use of a cutting torch or a welder to be maintained properly (welding safety guards is a prime example). This rule, as it is worded, would allow welding & cutting in the intake immediately (150' or more) downwind from a set of seals but prohibit it in a separate air course (separated by permanent brattice) less than 150' away. We would ask that the wording be changed to state "Welding, Cutting, and Soldering with an arc or flame are prohibited within 150 feet of a seal, unless separated by permanent brattices."
- 75.335(d): This rule should make allowances for extending current sampling pipes if the new seal construction is a seal rebuild for obvious reasons.
- 75.337(a) As many mines have existing seals and have changed mine management throughout their life, in seal rebuild situations and in situations where areas proposed to be sealed have had pillar recovery or retreat mining that has existed for over a year prior to May 22, 2007, it would be asking the impossible for mine operators to certify or attest that all insulated cables have been removed. For example, if a sealed area required a new seal to meet current requirements, how could a mine operator certify or attest that there are no insulted cables in the areas that have been retreat mined without entering that area. Past regulations did not require the removal of insulated cables. Another example would be that retreat mining had taken place in a mine over five years ago and the mine was sold to new management, but it now becomes necessary to seal this area for safety reasons or because MSHA has determined that the bleeder is no longer safe to travel. Can the new operator certify or attest to a fact that he could in no way verify. For this reason this item needs to be changed to "Remove insulated cables from all accessible areas of the area to be sealed."

We are asking MSHA to consider all consequences of implementing new ETS's and other regulations. To not consider the economic impacts in conjunction with the safety considerations will put many coal miners out of work. We have 200 families that we support through employment and contracting. With the uncertainty of our ability to weather the economic burden of these new regulations in the timeline required, what assurances can we give our workers that we will be able to continue their employment? Will we be able to assure our employees who want to buy a house for their family or are putting their children through college that we will be able to continue operating and that their employment will be maintained? Has MSHA taken into account the economic impact on the local communities if the economic burden to the coal companies forces companies to shut down? There are many small "Mom & Pop" stores that prosper close to our mining operations due to money spent by the miners. These establishments will also be severely impacted if the miners are out of work. If MSHA does not consider the total economic

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impacts and the timing of how these new regulations will be implemented, then more coal companies may be forced to lay off employees or even close their doors for good.

Many coal companies in our area have already shut down or scaled back, putting many workers out of work. This is having a tremendous impact on the local economy as well as the people in the region. The workers that will suffer the greatest impact due to the mines shutting down will be the younger workers. These workers have not acquired enough experience to quickly find new employment. Also, what kind of costs will be associated with re-training these workers if they leave the mining industry? The tragic consequences of sudden and prolonged unemployment can already be assessed in our area of the country. Many of the young people in our area have already given up on finding local employment. Drug use is at epidemic proportions in this region. Something I never would have believed I would see in Harlan County is now common to this entire region. Young women walking along county roads prostituting themselves out for their next drug fix or fathers who have to lock up their possessions to keep their own children from stealing these possessions to sell for drug money.

This week as we were formulating our response, our local newspaper, the Harlan Daily Enterprise, printed an article "Decline in mining industry cited for hike in jobless rate". Attached is a scanned copy of this article. In short, it states that Harlan County is tied for the fourth worst in the state between May 2006 and May 2007, with an increased unemployment rate of 9.9%. The major reason cited was the decline in the mining industry. This decline is very possibly related to the economic impact of the new state and federal regulations and its effects on smaller coal companies. Mining and mining related jobs are cited as well over 50% of employee earned wages in Harlan County. This article also indicated that the top four counties with the highest unemployment rates are all eastern Kentucky counties in which the main employers are related to the mining industry.

Again, Manalapan Mining Company, Inc. would like to thank MSHA for the opportunity to comment on this proposed Emergency Temporary Standard, and if there are any questions or if additional information is needed concerning these comments, please call 606-573-1211 or email geobennett@hotmail.com.

Respectfully,

George Bennett Vice President

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Exhibit 1

Cost Estimate of installing new 50 PSI Concrete Block Seal

Cost estimate is based on construction of a fully mortared solid concrete block seal and is designed to withstand an overpressure of 50 psi from a mine explosion. The cost estimate is based on a seal with a width of 20 feet, a height of 7.5 feet and a thickness of 24 inches.

	Material Cost					
Description	Unit Price	Count		Material Cost		
Block	\$1.65	765	\$	1,262		
Bags of Cement	\$6.75	20	\$	135		
Bags of Sand (ea.)	\$3.25	40	\$	130		
Utube	\$125.00	1	\$	125		
Sampling Tube	\$250.00	1	\$	250		
Angle Iron	\$42.58	26	\$	1,107		
1-1/8" Anchor Dowel	\$4.46	65	\$	290		
1-1/8" spherical washer	\$3.98	65	\$	259		
1-1/8" hex nut	\$5.47	65	\$	356		
Jam Nut	\$3.21	10	\$	32		
		Total Material Cost	\$	3,558		

		Labor Cost				
Description	Count	Cost per Hour	Number of Hours	Lat	bor Cost	
Foreman	1	\$50.00	48	\$	2,400	
General Workers	2	\$40.00	48	\$	3,840	
Mason	2	\$40.00	48	\$	3,840	
Scoop Operator	1	\$40.00	48	\$	1,920	
Professional Engineer	1	\$150.00	20	\$	3,000	
			Total Labor Cost	\$	15,000	

Total Cost per Seal \$ 18,558

MMC Mines	# of seals	Projected Cost of New Seals
#4	21	\$ 389,717
#5	11	\$ 204,137
#10	5	\$ 92,790
otal	37	\$ 686,644

Decline in mining industry cited for hike in jobless rate

Harlan tied for fourth in state

By DEANNA LEE-SHERMAN Staff Writer

2 Harlan County was among 45 counties that saw an increase in unemployment rates between May 2006 and May 2007, ranking among the state's top five for jobless persons, according to the Kentucky Office of Employment and Training.

Following Jackson (13.3), Clay (11.2) and Magoffin (10.7) counties. Harlan County tied with Owsley County at 9.9 percent, compared to the 7.7 percent recorded for the county last

"That's a pretty good increase," said Kim Saylor Brannock, of the Kentucky Education Cabinet, of which the Office of Employment and Training is an agency.

The unemployment jump in Harlan County was attributed to "a slowing down of the mining industry," Brannock said.

"There was no major shutdown in Harlan County. It just looks like it's a slowing down of the mining industry overall," said Brannock, adding that no one company in particular differed from another. In May, she said 23.7 percent of the county's monthly claimants of unemployment insurance benefits came from the mining industry.

"Coal in general has been a bit slower in the last four to six months," said Harlan County Judge-Executive Joe Grieshop. He said fewer employees at the Harlan ARH Hospital following a monthlong strike in April and recent budget cuts at the county's two Please see JOBLESS. Page 2

school systems could also be factors.

Grieshop said the county's lack of diversity hurts its economic growth, but that potential exists among the "young, budding businesses *

"That's where we can see a turnaround. There can be a real future in growing local businesses that have a chance to expand, rather than relying on industry to come to Harlan County." said Grieshop. Improvements in infrastructure, he said, have been made and county officials "have been working together better than before at looking at ideas.'

Brannock said consistently high unemployment rates in eastern Kentucky are the product of different challenges, including basic needs like transportation. The "golden triangle" of Lexington, Louisville and northern Kentucky, for example, have far more employment opportunities that are supported by a more advanced infrastructure and public needs sys-

When conducting surveys for unemployment rates, economists focus on trends, rather than percentages for a particular month, Brannock said. And counties aren't comparable. Owsley County, instance, has a recorded 1,447 people employed and 159 unemployed; Harlan County has 9,513 and 1,047, respectively.

"One of the things you're going to find is that, in Owsley County, you have a much smaller labor force,'

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